



Southport
Property Factsheet
1st Half 2019





MARKET CONDITIONS

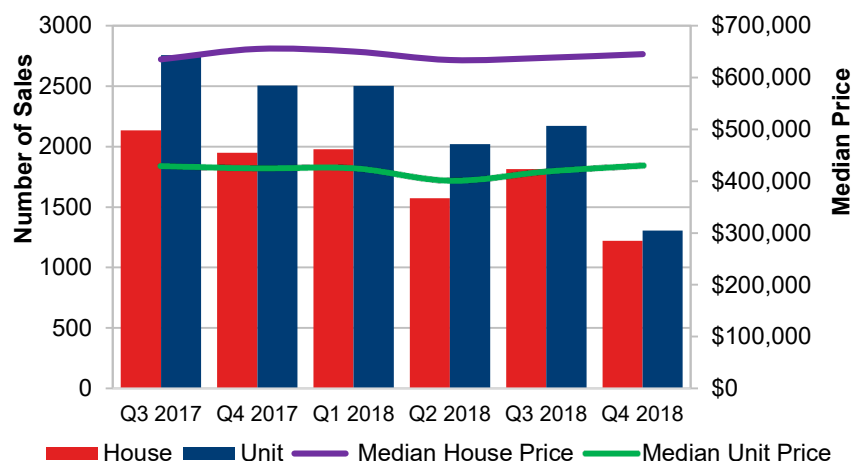
Southport* recorded a median house price of \$605,000 and \$367,500 for units in Q4 2018. This is an annual (Q4 2017-Q4 2018) median price growth of 0.4% for houses and a softening of -3.9% for units. Compared to the *Southport* 2nd half 2018 Research Factsheet*, which reported an annual (Q2 2017 – Q2 2018) median price change of 3.9% (house) and -4.7% (units), units in Southport* have slightly strengthened in value and houses have become more affordable. Overall this represents a resilient market and an ideal environment for buyers.

Annual (Q4 2017-Q4 2018) median house prices softened in the wider Gold Coast Main Local Government Area (LGA), by -1.5% to \$645,000. That said it has strengthened by 1.2% to \$430,000 for units. When compared to the LGA, Southport* property prices are more affordable, and in the case for houses provide greater capital growth.

Average vendor discounting has remained relatively stable over the past 12 months to Q4 2018, favouring buyers. That said average vendor discounting for houses have slightly tightened towards the seller's favour, from -4.3% in Q4 2017 to -3.8% in Q4 2018. Whereas for units it has slightly widened from -5.4% in Q4 2017 to -5.6% in Q4 2018, which continues to benefit buyers.

Southport* median house rental prices softened over the past 12 months to Q4 2018, by -4.0% to \$480 per week. However, it strengthened for units by 5.0% to \$420 per week. Investors are benefitting from quick rental uptake in this high-demand market, as vacancy rates in Southport* have declined over the past 6 months, to 2.1% as of December 2018. Although slightly higher than Gold Coast LGA vacancy rates (1.8%), it is well below that of Brisbane Metro (3.2%).

GOLD COAST CITY GROWTH



OVERVIEW

Southport is a suburb located at the CBD of Gold Coast. Auction clearance rates in Southport* were 40.9% in Q4 2018. This is slightly below the Gold Coast LGA auction clearance rate of 53.2%, thus the auction process and method of sale is still successful in Southport*. Although auction clearance rate figures have softened over the past 12 months in Southport*, so has the whole market due to restrictions to finance approvals.

CHANGE FROM LAST	YEAR	HALF YEAR
House Sales	↓	↓
House Median Price	↑	↑
House Rental Price	↓	↓
Unit Sales	↓	↓
Unit Median Price	↓	↑
Unit Rental Price	↑	↑

FUTURE DEVELOPMENTS**

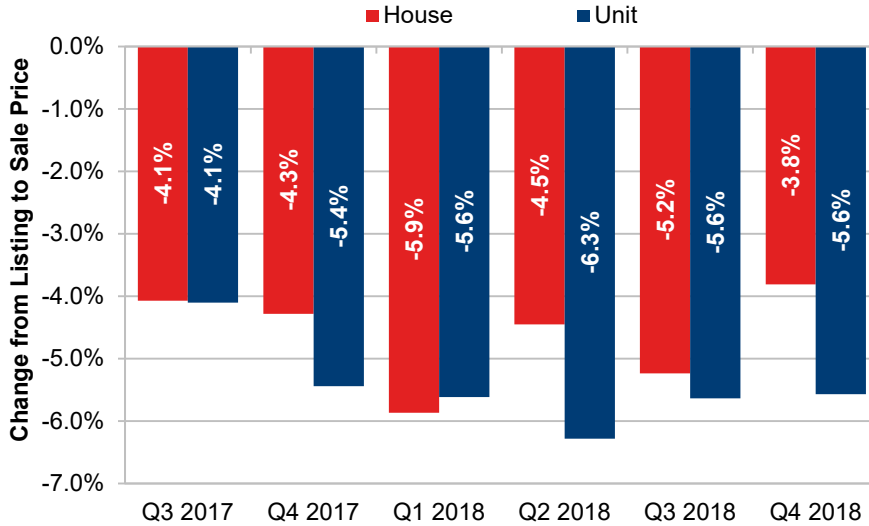
Southport* is set to see approx. \$1.3B worth of new projects commencing in the 1st half of 2019. Mixed-use projects (83.7%, \$1.1B) account for the majority of development value. This is followed by commercial projects (9.2%, \$127.0M) and residential developments (7.1%, \$97.3M).

The main mixed use project over the 1st half 2019 period is the Queen Street Village Integrated Mixed Use (\$550.0M). This is a redevelopment of the former Southport hospital site over 8 lots, to include 938 units, a retirement village, serviced apartments, cinema, medical centre, fast food outlet, and other shops. Another Significant mixed-use project is the Oxford on Scarborough The Pearl (\$80.0M, 380 units, 34 serviced apartments, Offices/Shops/Restaurants).

A total of 1571 units/apartments are planned in the 1st half of 2019***. This will cater for the 12.7% of population growth over the past 5 years to 2016. Pure residential projects include High Street Units (\$50.0M, 200 units), Falconer Street Units (\$9.6M, 32 units) and Minnie street apartments (\$4.6M, 21 Apartments).

*Southport market data and key indicators encapsulates aggregate property market conditions in the following suburbs: Southport, Labrador, and Biggiera Waters.
**Estimated values are based on construction value provided by the relevant data authority and does not reflect commercial and/or re-sale value.
***Total number of units/apartments quoted does not include projects with a development approval status only.
Source: APM Pricefinder, realestate.com.au. © Copyright PRDnationwide 2019.

AVERAGE VENDOR DISCOUNT*



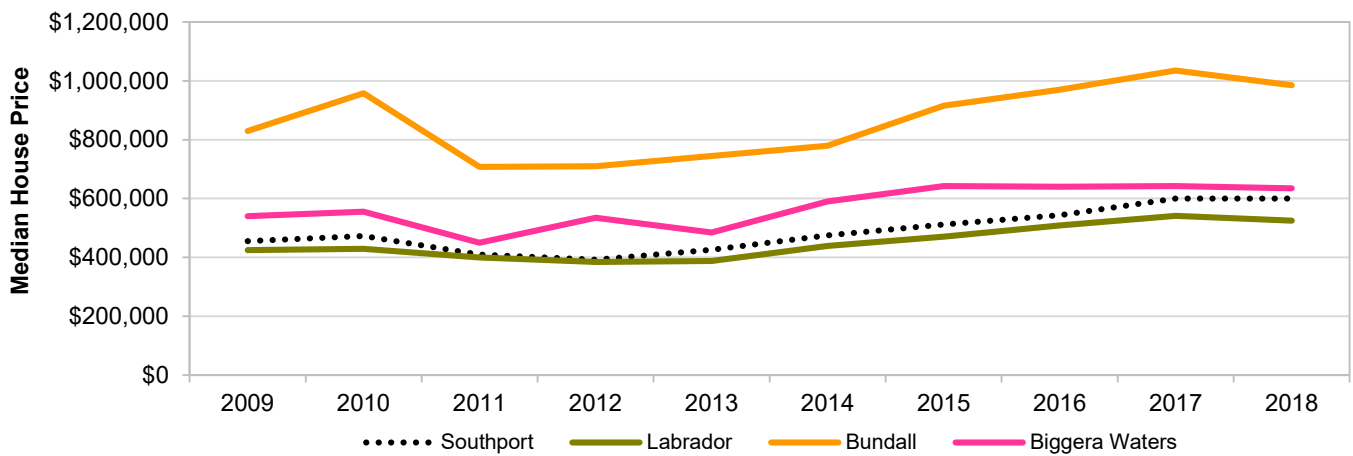
AVERAGE VENDOR DISCOUNT

Average vendor discount reflects the average percentage difference between first list price and final sold price. A lower percentage difference (closer to 0) suggests buyers are willing to purchase close to the first asking price of a property.

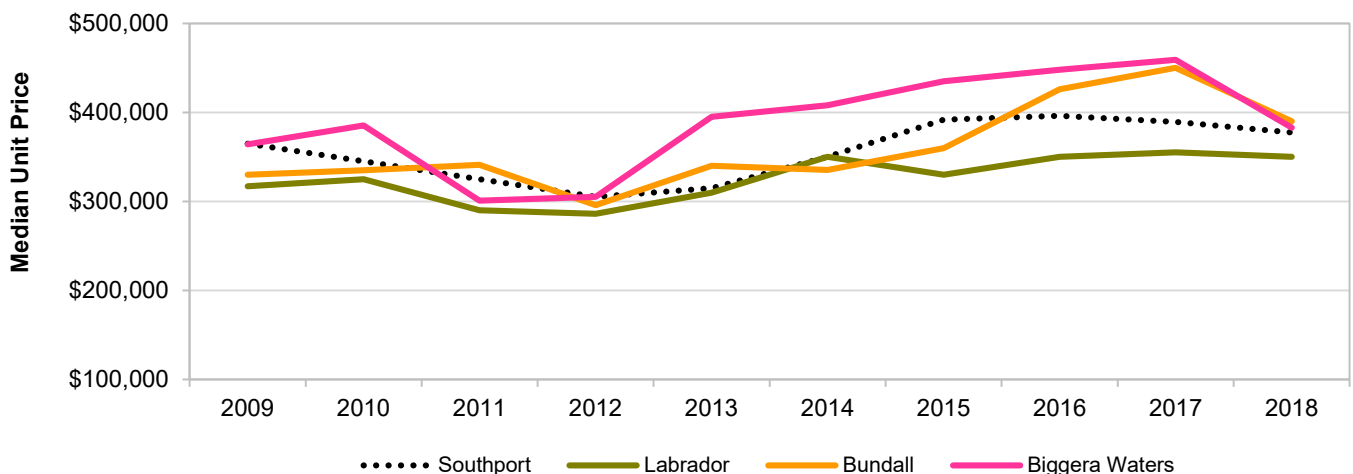
MARKET COMPARISON GRAPH

The market comparison graph provides comparative trend for median price of house and units over the past 10 years. Suburbs profiled are chosen based on proximity to the main suburb analysed in the factsheet, which is Southport. The main suburb is highlighted through a dotted black line graph.

HOUSE MARKET COMPARISON

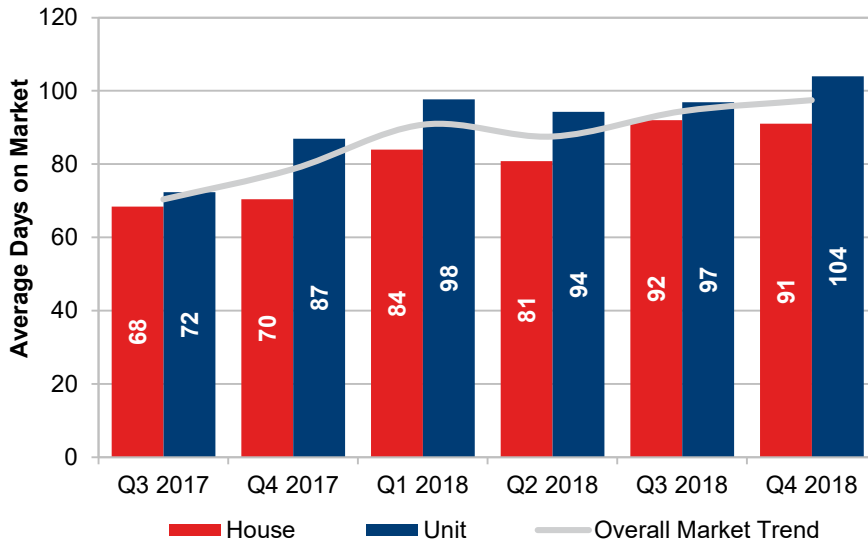


UNIT MARKET COMPARISON



*Southport market data and key indicators encapsulates aggregate property market conditions in the following suburbs: Southport, Labrador, and Biggera Waters. Source: APM Pricerfinder. © Copyright PRDNationwide 2019.

AVERAGE NUMBER OF DAYS ON THE MARKET**



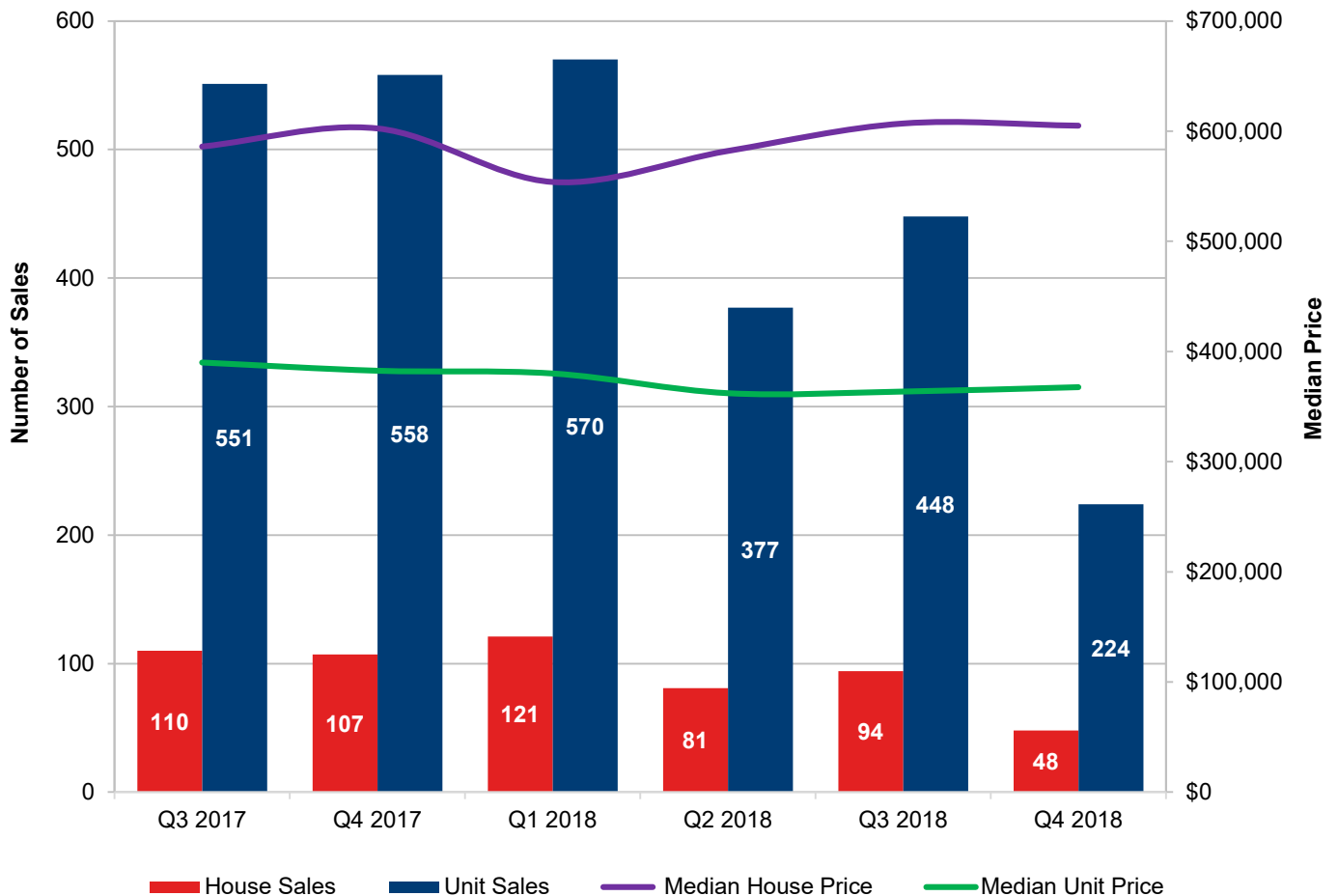
HOUSE KEY FACTS Q4 2018

Median Sale Price: \$605,000
 Annual Growth: 0.4%*
 Average Days on Market: 91
 % Change between First Listed Price and Sold Price: -3.8%

UNIT KEY FACTS Q4 2018

Median Sale Price: \$367,500
 Annual Growth: -3.9%*
 Average Days on Market: 104
 % Change between First Listed Price and Sold Price: -5.6%

SALES AND MEDIAN PRICE**



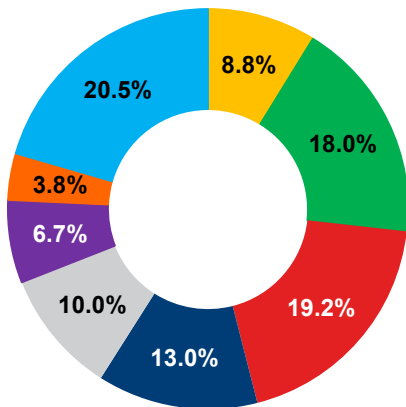
*Annual growth represents price growth for property transactions between Q4 2017 to Q4 2018 (inclusive).

**Southport market data and key indicators encapsulates aggregate property market conditions in the following suburbs: Southport, Labrador, and Biggera Waters.

Source: APM Pricefinder, realestate.com.au, SQM Research. © Copyright PRDNationwide 2019.

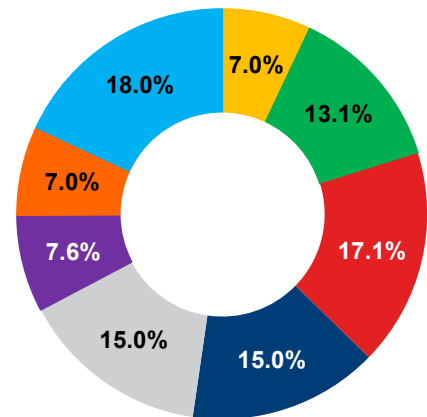
SALES PRICE POINT COMPARATIVE ANALYSIS

HOUSE PRICE POINT 2017

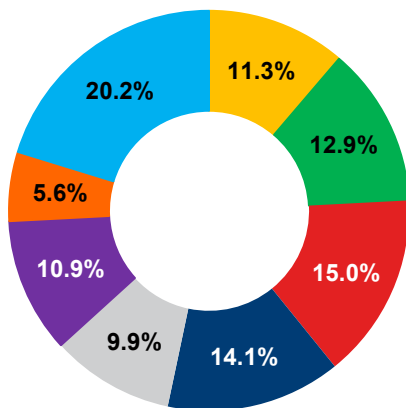


- Less than \$449,999
- \$450,000 to \$499,999
- \$500,000 to \$549,999
- \$550,000 to \$599,999
- \$600,000 to \$649,999
- \$650,000 to \$699,999
- \$700,000 to \$749,999
- \$750,000 and above

HOUSE PRICE POINT 2018

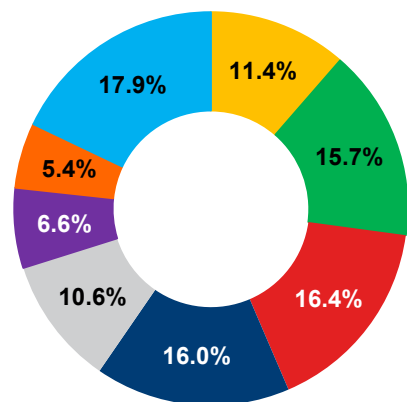


UNIT PRICE POINT 2017



- Less than \$249,999
- \$250,000 to \$299,999
- \$300,000 to \$349,999
- \$350,000 to \$399,999
- \$400,000 to \$449,999
- \$450,000 to \$499,999
- \$500,000 to \$549,999
- \$550,000 and above

UNIT PRICE POINT 2018



KEY IMPLICATIONS - HOUSE

House sale price point in Southport* has remained relatively stable between 2017 and 2018. The proportion of houses sold in 2018 remained in the upper bracket of \$750K and above, at 18.0%. This is a similar trend to 2017, at 20.5% in sales activity. 2018 saw the growth of the \$700K-\$750K price bracket, which has increased from 3.8% in 2017 to 7.0% in 2018.

Affordable options still exist in Southport*, however buyers need to act fast. The \$450 - \$500K price bracket shrunk from 18.0% in 2017 to 13.1% in 2018, and the lowest price bracket of less than \$449K sales have reduced from 8.8% in 2017 to 7.0% in 2018. That said overall there is a house for every buyer with differing budget in Southport*.

KEY IMPLICATIONS - UNIT

The upper price bracket of \$550K and above had the highest sales activity in 2018, of 17.9%. This price bracket has slightly decreased from 20.2% in 2017, reflective of the -3.9% softening in unit median price over the past 12 months to Q4 2018. The lower end market of \$250 - \$300K has started to strengthen to 15.7% in 2018. Now is an ideal time for first home buyers and investors to take this opportunity to enter the market.

That said there is a strengthening in the middle-priced market, of \$350K - \$450K, from a total sales activity of 39.0% in 2017 to 43.0% in 2018. This provides an ideal price range for sellers, to ensure that their properties are sell quickly and as close as possible to first list price.

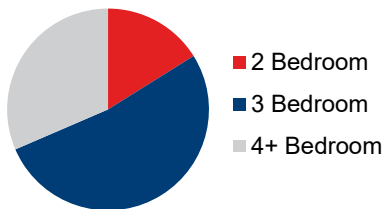
*Disclaimer: Southport market data and key indicators encapsulates aggregate property market conditions in the following suburbs: Southport, Labrador, and Biggera Waters.

**For comparative purposes. house and unit sales for 2017 and 2018 are only representative of the 2nd half of each year.

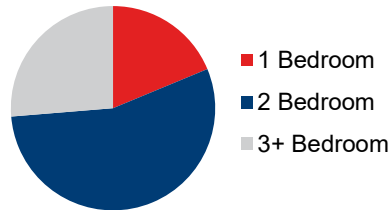
Source: APM Pricefinder. © Copyright PRDnationwide 2019.

INVESTMENT ANALYSIS

HOUSE



UNIT



HOUSE KEY FACTS Q4 2018

Median Rent Price: \$480 per week
 Rental Yield: 4.6%
 Average Days on Market: 31
 Bedroom Breakdown:
 2 Bed: 16%, 3 Bed: 51%, 4+ Bed: 31%

UNIT KEY FACTS Q4 2018

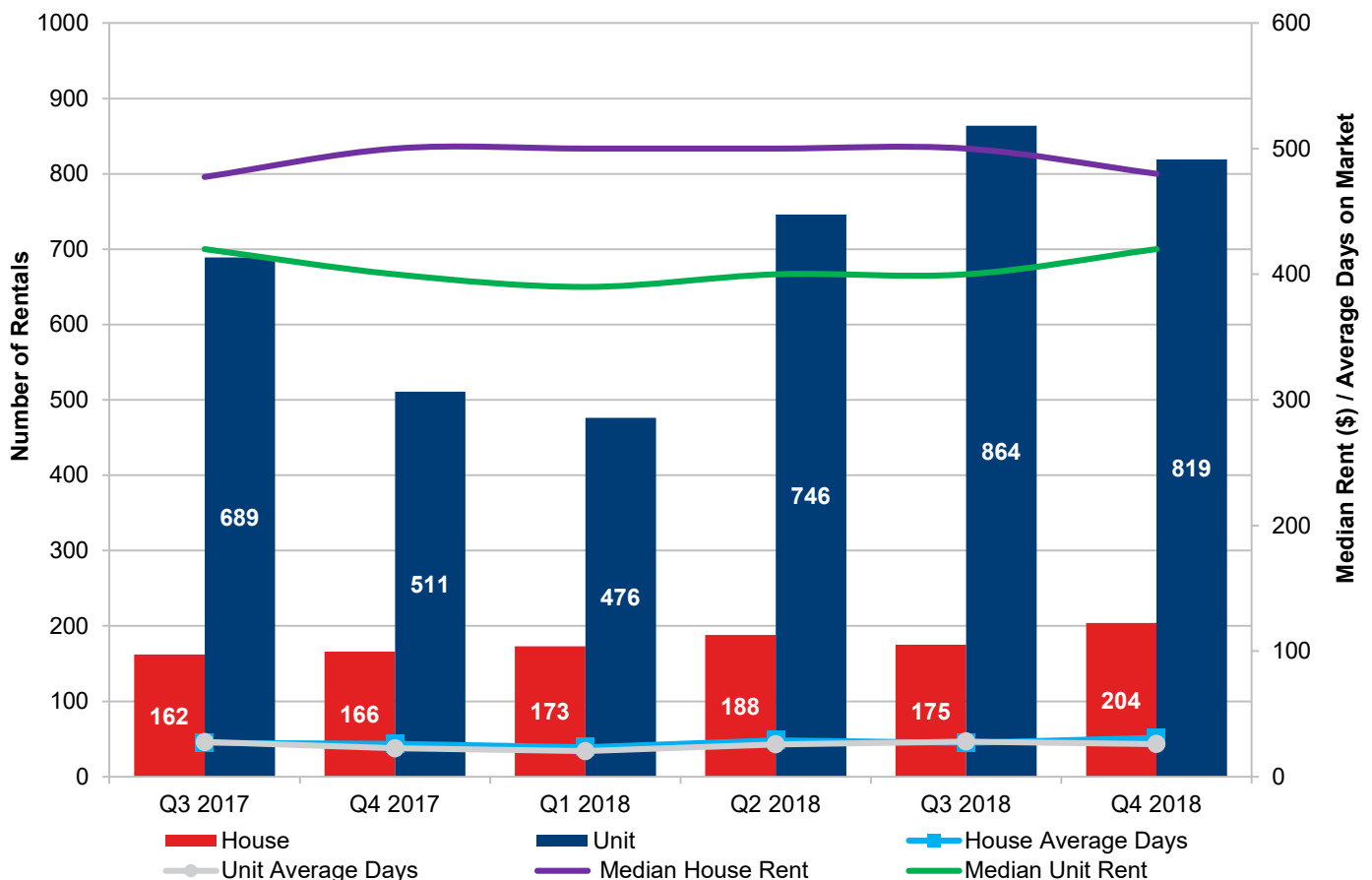
Median Rent Price: \$420 per week
 Rental Yield: 5.4%
 Average Days on Market: 26
 Bedroom Breakdown:
 1 Bed: 19%, 2 Bed: 55%, 3+ Bed: 26%

KEY COMMENTS

Rental demand for houses in Southport* have strengthened over the past 12 months to Q4 2018, by 22.9%. Units rental demand significantly strengthened by 60.3%. During this time frame median rent prices softened by -4.0% for houses but increased by 5.0% for units. This suggests that house rental market is now saturated however the unit rental market is in high demand, which is encouraging for investors. Furthermore both houses and units have continued to record low average days on the market, of 31 days (house) and 26 days (units), which suggests quicker rental returns for investors.

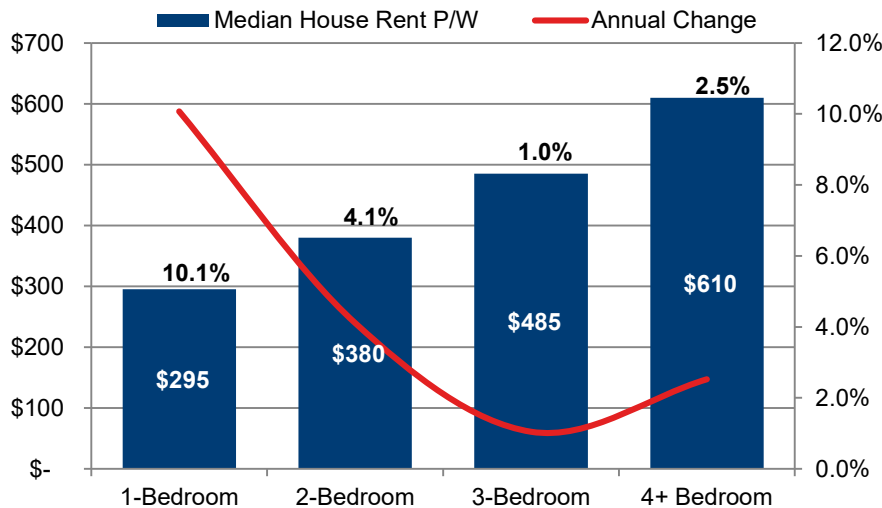


MEDIAN RENT AND AVERAGE DAYS ON MARKET*



*Disclaimer: Southport market data and key indicators encapsulates aggregate property market conditions in the following suburbs: Southport, Labrador, and Biggera Waters. Source: APM Pricefinder, realestate.com.au, SQM Research. © Copyright PRDnationwide 2019.

RENTAL PERFORMANCE 2018*



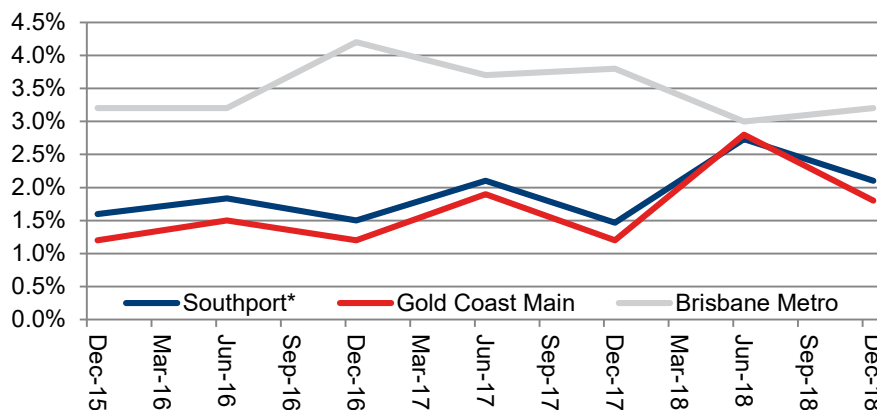
KEY COMMENTS

Southport* has recorded strong rental yields, at 4.6% (houses) and 5.4% (units) in December 2018. This is higher than Gold Coast Main's (house: 4.4% and unit 5.1%) and Brisbane Metro's (house: 3.8% and unit: 5.2%).

1 bedroom houses provide investors with the highest annual rental growth at 10.1%, whilst 4+ bedrooms fetched the highest weekly rent at \$610.

Vacancy rates in Southport* (2.1%) have trended downwards over the past 6 months to December 2018, in line with vacancy rate patterns in the Gold Coast LGA. This suggests a healthier rental demand in Southport* which is good news for investors.

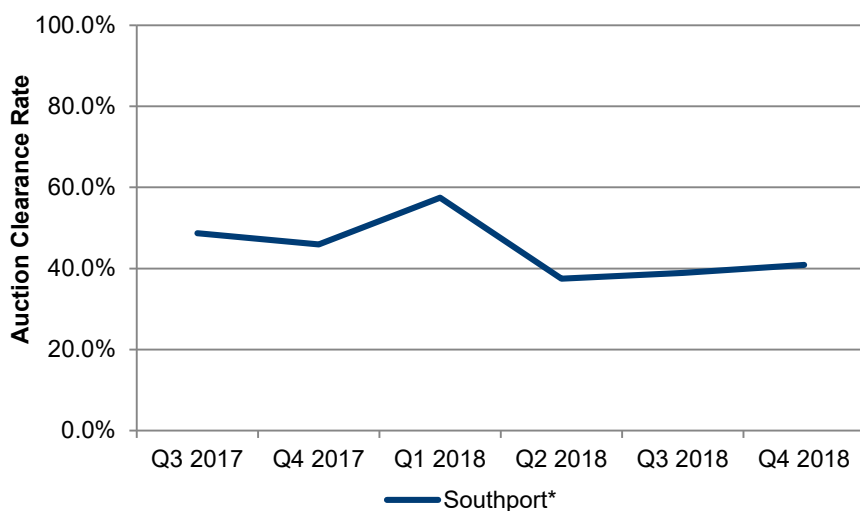
VACANCY RATES 2018



RENTAL YIELD 2018

Suburb/ Postcode/ LGA	House Rental Yield	Unit Rental Yield
Southport*	4.6%	5.4%
Gold Coast Main	4.4%	5.1%
Brisbane Metro	3.8%	5.2%

AUCTION CLEARANCE RATES 2018**



Q4 2018 COMPARISON

Suburb/ Postcode/ LGA	Auction Clearance Rate
Southport**	40.9%
Gold Coast LGA^	53.2%
Brisbane Metro^	37.0%

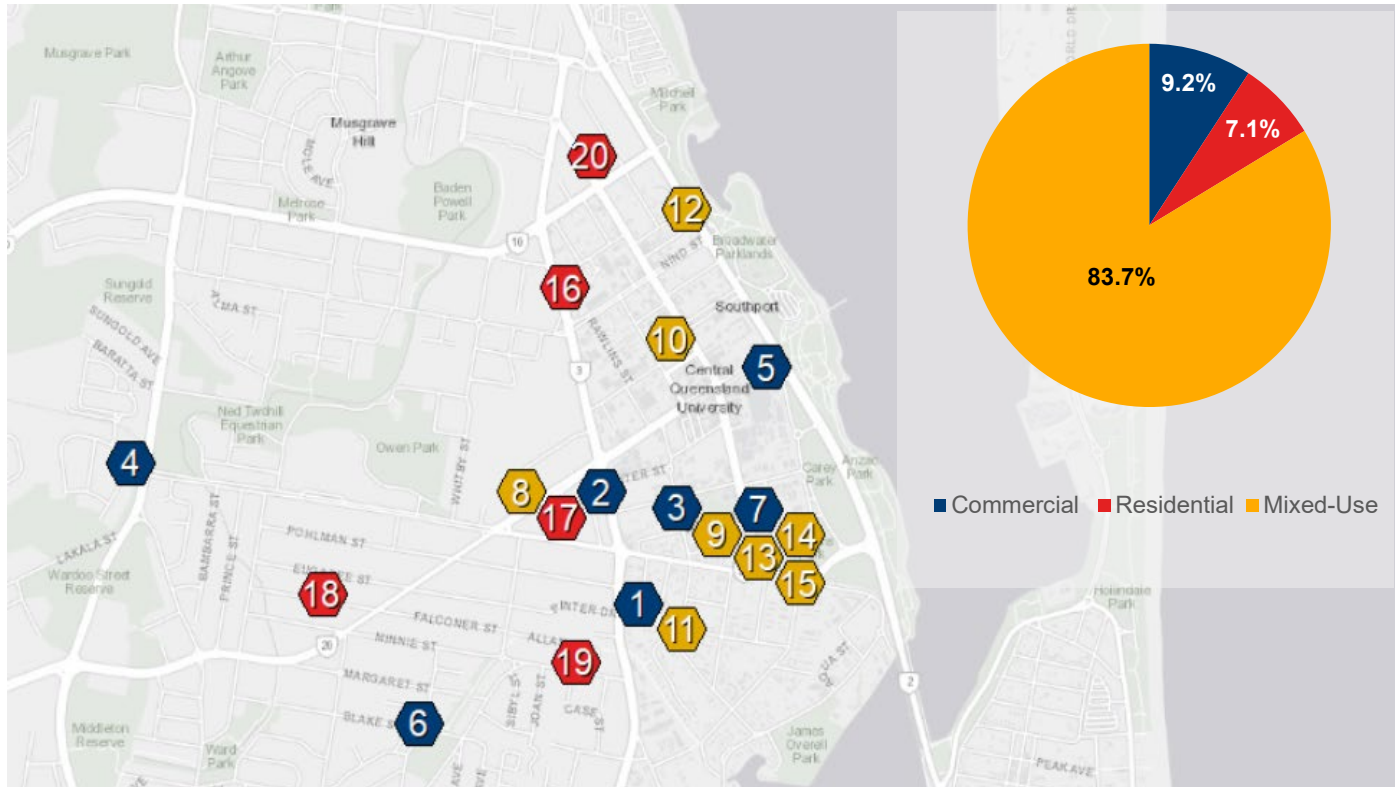
*Rental performance graph represents aggregate house median rent prices in the following suburbs: Southport, Labrador and Biggera Waters. Annual change is a comparison between 2017 and 2018 median rent figures.

**Auction Clearance rates for Southport are for all residential auctions held in the suburbs of: Southport, Labrador, and Biggera Waters.

^Capital city data obtained by accumulating Domain's weekly auction clearance results.

Source: APM Pricer, Domain, SQM Research. © Copyright PRDnationwide 2019.

PROJECT DEVELOPMENT MAP 1ST HALF 2019*



Location	Project**	Type	Estimated Value***	Commence Date****	Status Update^
1	Imperial Square Mixed Use Development	Commercial	\$60,000,000	08/04/2019	In Progress
2	Bolton Clarke Residential Aged Care Facility	Commercial	\$25,000,000	12/05/2019	In Progress
3	Goldbridge Rehabilitation Services	Commercial	\$18,000,000	24/06/2019	Development Approval
4	Kennards Self Storage Southport	Commercial	\$8,000,000	27/05/2019	In Progress
5	Bmw & Mini Showroom	Commercial	\$6,000,000	15/06/2019	In Progress
6	More Space Storage	Commercial	\$5,000,000	15/04/2019	In Progress
7	Cbd 33 Office Building	Commercial	\$5,000,000	18/01/2019	In Progress
8	Queen Street Village Integrated Mixed Use Development- 938 Units/Retirement Village/ Serviced Apartments/Cinema/Shops	Mixed-use	\$550,000,000	17/06/2019	In Progress
9	The Au Mixed Used Development- 460 Units/ Office/Shops	Mixed-use	\$130,000,000	18/03/2019	Development Approval
10	Grand Central Southport- 264 Units/ 108 Serviced Apartments/ Student Units 33/Shops	Mixed-use	\$100,000,000	18/05/2019	Development Approval
11	Imperial Square Mixed Use Development Stages 2-4- 2240 Units/Hotel/University/Shops/ Restaurants	Mixed-use	\$100,000,000	10/03/2019	Development Approval
12	Marine Parade & Railway Street Mixed Use Development- 366 Units/Retail/Restaurant	Mixed-use	\$100,000,000	10/06/2019	Development Approval
13	Oxford On Scarborough - The Pearl 380 Units/34 Serviced Apartments/Offices/Shops/Restaurants	Mixed-use	\$80,000,000	04/03/2019	In Progress
14	Oxford On Queen Scarborough - The Pearl 210 Units/41 Serviced Apartments/Child care/Medical Centre	Mixed-use	\$70,000,000	11/02/2019	Development Approval
15	Queen & Lather Streets Mixed Use Development 64 Units/ Cafe	Mixed-use	\$25,000,000	18/03/2019	Development Approval
16	High Street Units- 200 Units, 31 Storey	Residential	\$50,000,000	03/06/2019	In Progress
17	Queen Street Apartments- 97 Apartments, 11 Storey	Residential	\$29,100,000	23/04/2019	Development Approval
18	Falconer Street Units- 32 Units , 7 Storey	Residential	\$9,600,000	18/06/2019	In Progress
19	Minnie Street Apartments- 21 Apartments, 4 Storey	Residential	\$4,600,000	22/02/2019	In Progress
20	Scarborough Street Units- 16 Units	Residential	\$4,000,000	12/03/2019	Development Approval

*Disclaimer: Project development map showcases a sample of upcoming projects only, due to accuracy of addresses provided by the data provider for geocoding purposes.

**Projects refers to the top developments within the suburb of Southport.

***Estimated value is the value of construction costs provided by relevant data authority, it does not reflect the project's sale/commercial value.

****Commencement date quoted for each project is an approximate only, as provided by the relevant data authority, PRDnationwide does not hold any liability to the exact date.

^Status update refers to the project current stage of development

Source: Cordell Database, ESRI ArcGIS, Department of Planning and Environment NSW, Gold Coast City Council. © Copyright PRDnationwide 2019.

ABOUT PRDnationwide RESEARCH

PRDnationwide's research division provides reliable, unbiased, and authoritative property research and consultancy to clients in metro and regional locations across Australia

Our extensive research capability and specialised approach ensures our clients can make the most informed and financially sound decisions about residential and commercial properties.

OUR KNOWLEDGE

Access to accurate and objective research is the foundation of all good property decisions

As the first and only truly knowledge based property services company, PRDnationwide shares experience and knowledge to deliver innovative and effective solutions to our clients.

We have a unique approach that integrates people, experience, systems and technology to create meaningful business connections. We focus on understanding new issues impacting the property industry; such as the environment and sustainability, the economy, demographic and psychographic shifts, commercial and residential design; and forecast future implications around such issues based on historical data and fact.

OUR PEOPLE

Our research team is made up of highly qualified researchers who focus solely on property analysis

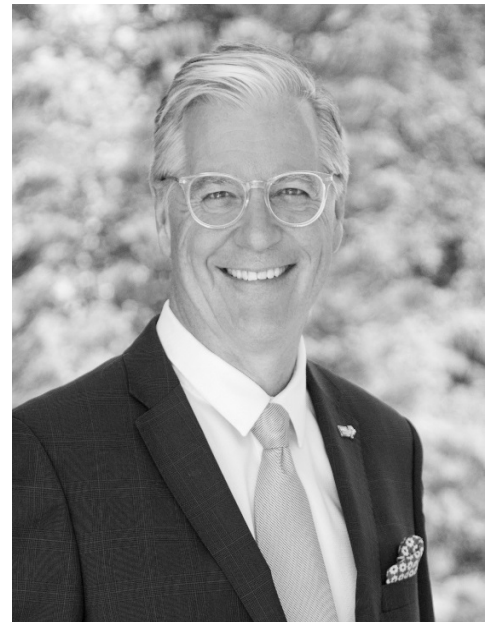
Skilled in deriving macro and micro quantitative information from multiple credible sources, we partner with clients to provide strategic advice and direction regarding property and market performance. We have the added advantage of sourcing valuable and factual qualitative market research in order to ensure our solutions are the most well considered and financially viable.

Our experts are highly sought after consultants for both corporate and government bodies and their advice has helped steer the direction of a number of property developments and secured successful outcomes for our clients.

OUR SERVICES

Our research services span over every suburb, LGA, and state within Australia; captured in a variety of standard and customized products

We have the ability and systems to monitor market movements, demographic changes and property trends. We use our knowledge of market sizes, price structure and buyer profiles to identify opportunities for clients and provide market knowledge that is unbiased, thorough and reliable.



OUR SERVICES INCLUDE:

- Advisory and consultancy
- Market Analysis including profiling and trends
- Primary qualitative and quantitative research
- Demographic and target market Analysis
- Geographic information mapping
- Project Analysis including product and pricing recommendations
- Rental and investment return analysis

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